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**Rules of  
Department of Economic  
Development  
Division 240—Public Service Commission  
Chapter 35—Reporting of Bypass and Customer  
Specific Arrangements by Telephone  
Corporations**

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Title 4—DEPARTMENT OF ECONOMIC DEVELOPMENT

Division 240—Public Service Commission

Chapter 35—Reporting of Bypass and Customer Specific Arrangements By Telephone Corporations

4 CSR 240-35.010 Definitions

PURPOSE: This rule defines terms used in the rules comprising Chapter 35.

(1) Access services are services provided to interexchange telecommunications carriers for access to the local exchange network for the purpose of originating or terminating interexchange telecommunications messages.

(2) Bypass is the origination, termination, or both, of any intrastate telecommunication without the use of the local exchange telephone company's network facilities. Bypass shall include intrastate telecommunications which avoid tariffed rates of a local exchange telephone company, including access services, toll services, private line services and local exchange services.

(3) Customer specific arrangement is a method used by local exchange telephone companies to price telecommunications services to a particular customer based on the cost of service to that customer.

(4) Customer means any person, firm, partnership, corporation, municipality, cooperative, organization, governmental agency, etc. that accepts responsibilities associated with intrastate telecommunications service provided by telephone corporation.

(5) Intrastate telecommunications are all telecommunications which originate and terminate within Missouri, regardless of whether any such telecommunication is switched beyond the boundary of Missouri. For the purposes of this rule, it shall be presumed that all telecommunications which enter and leave a particular telephone corporation's network within Missouri are intrastate telecommunications, unless the telephone corporation can establish that the call originated or terminated outside the state.

(6) Interexchange telephone company refers to providers of interexchange telecommunications services.

(7) Interexchange telecommunications services are telecommunications services which originate in one (1) local exchange calling area

and terminate in another local exchange calling area, both of which are located within Missouri.

(8) Local exchange calling area is the service area within a local exchange telephone company's service area in which a toll-free call can be made.

(9) Local exchange telephone company refers to a telephone corporation authorized by the Public Service Commission to provide telecommunications services within a local exchange calling area.

(10) Telephone corporation means any person, firm, partnership or corporation engaged in the business of providing intrastate telecommunications services.

Auth: sections 386.040, 386.320, RSMo (1986), 386.250, RSMo (Cum. Supp. 1991) and 392.210, RSMo (Supp. 1987). \* Original rule filed Feb. 13, 1985, effective Sept. 15, 1985.

\*Original authority: 386.040, RSMo (1939); 386.250, RSMo (1939), amended 1963, 1967, 1977, 1980, 1987, 1988, 1991; 386.320, RSMo (1939), amended 1949; and 392.210, RSMo (1939), amended 1984, 1987.

4 CSR 240-35.020 General Provisions

PURPOSE: This rule sets forth the applicability of the rules comprising Chapter 35.

(1) This rule and the other rules comprising Chapter 35 shall apply to any telephone corporation, including both interexchange telephone companies and local exchange telephone companies, operating within Missouri. The rules set forth in Chapter 35 provide for the reporting of instances of bypass which will allow the Public Service Commission to monitor the impact of certain aspects of competition in the provision of telecommunications services.

(2) All telephone corporations, including both interexchange telephone companies and local exchange telephone companies, shall maintain all workpapers and documentation supporting the reports made pursuant to the provisions of Chapter 35. The supporting information shall be maintained for a period of two (2) years from the date the report is filed.

(3) Any telephone corporation may file an application for a variance from reporting the name and address of the location(s) where each

incident of bypass or customer specific arrangement has occurred, or from reporting the name of the owner of the bypass system or customer specific arrangement, or both, as required in 4 CSR 240-35.030(4)(B) and (G), with the secretary of the commission. An application for a variance may be granted by the commission for good cause shown.

Auth: sections 386.040, 386.320, RSMo (1986), 386.250, RSMo (Cum. Supp. 1991) and 392.210, RSMo (Supp. 1987). \* Original rule filed Feb. 13, 1985, effective Sept. 15, 1985.

\*Original authority: 386.040, RSMo (1939); 386.250, RSMo (1939), amended 1963, 1967, 1977, 1980, 1987, 1988, 1991; 386.320, RSMo (1939), amended 1949; and 392.210, RSMo (1939), amended 1984, 1987.

4 CSR 240-35.030 Reporting of Bypass and Customer Specific Arrangements

PURPOSE: This rule identifies who shall report instances of bypass and customer specific arrangements and the content of the reports.

(1) All telephone corporations operating in this state shall report those instances where intrastate telecommunications are provided through bypass or customer specific arrangements of which the telephone corporation becomes aware and which is located in part or in whole in the geographical area in which the telephone corporation provides service, except military and Department of Defense locations.

(2) All telephone corporations shall report instances of bypass and customer specific arrangements semi-annually on or before June 30 and December 31 of each calendar year. In the event the telephone corporation has not become aware of further specific instances of bypass or customer specific arrangements since its most recent prior report, no report need be filed.

(3) The reports shall be filed with—  
Manager, Department of Communications  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102

(4) Each report of an incident of bypass or customer specific arrangement shall be submitted on a form to be prepared by the Missouri Public Service Commission staff. The form shall contain the following information which the telephone corporation shall provide to the extent the information is known by the

telephone corporation in the ordinary course of its operations:

(A) Name and address of the telephone corporation providing the report and the individual responsible for the information contained in the report;

(B) Name and address of the location(s) where each incident of bypass or customer specific arrangement has occurred;

(C) The technology used in the bypass system or customer specific arrangement (that is, microwave, fiber optics, coaxial cable, and the like);

(D) A statement of whether the bypass system or customer specific arrangement caused a disconnection of existing local exchange telephone company service;

(E) The type of local exchange telephone company service which was disconnected or which would have otherwise been used (for example, access service, toll service, private line service, local exchange service, and the like);

(F) Amount of facilities provided by the bypass system or customer specific arrangement and statement of total capacity of the system (for example, one T-1 system with twenty-four (24) derived voice grade channels);

(G) Owner of the bypass system or customer specific arrangement;

(H) Type of traffic carried over the bypass system or customer specific arrangement (for example, voice, data, and the like);

(I) Whether the bypass system or customer specific arrangement is used for originating traffic, terminating traffic or two (2)-way traffic;

(J) Whether the bypass system or customer specific arrangement is used for intrastate traffic only or for both interstate and intrastate traffic;

(K) The date the bypass system or customer specific arrangement went into operation;

(L) Total price paid or to be paid for the bypass system or customer specific arrangement;

(M) Statement of the cost and tariff price for comparable facilities if provided by the local exchange telephone company and the method used to determine the cost;

(N) The revenue impact on the local exchange telephone company from the bypass system and the basis for calculating the impact; and

(O) A brief explanation of the reason the bypass system or customer specific arrangement was installed.

(6) The reports filed pursuant to Chapter 35 shall be used for the purpose of monitoring and determining the extent of bypass in Missouri and for determining appropriate pricing of telecommunications services in the state.

*Auth: sections 386.040, 386.320, RSMo (1986), 386.250, RSMo (Cum. Supp. 1991) and 392.210, RSMo (Supp. 1987). \* Original rule filed Feb. 13, 1985, effective Sept. 15, 1985. Amended: Filed June 10, 1987, effective Sept. 15, 1987. Amended: Filed May 26, 1989, effective Oct. 16, 1989.*

*\*Original authority: 386.040, RSMo (1939); 386.250, RSMo (1939), amended 1963, 1967, 1977, 1980, 1987, 1988, 1991; 386.320, RSMo (1939), amended 1949; and 392.210, RSMo (1939), amended 1984, 1987.*

(5) The reports filed pursuant to Chapter 35 may be treated as confidential and proprietary information by the reporting telephone corporation and shall be subject to the provisions of section 386.480, RSMo.